

ASSEMBLY, No. 4749

STATE OF NEW JERSEY 218th LEGISLATURE

INTRODUCED DECEMBER 3, 2018

Sponsored by:

Assemblyman RAJ MUKHERJI

District 33 (Hudson)

Assemblywoman ANGELA V. MCKNIGHT

District 31 (Hudson)

Assemblyman GARY S. SCHAER

District 36 (Bergen and Passaic)

SYNOPSIS

Amends list of environmental infrastructure projects approved for long-term funding for FY2019 to include new projects and remove certain projects.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning the financing of environmental infrastructure
2 projects in Fiscal Year 2019 and amending P.L.2018, c.85.

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6

7 1. Section 1 of P.L.2018, c.85 is amended to read as follows:

8 1. a. (1) There is appropriated to the Department of
9 Environmental Protection from the "Clean Water State Revolving
10 Fund" established pursuant to section 1 of P.L.2009, c.77, an
11 amount equal to the federal fiscal year 2018 capitalization grant
12 made available to the State for clean water project loans pursuant to
13 the "Water Quality Act of 1987" (33 U.S.C. s.1251 et seq.), and any
14 amendatory and supplementary acts thereto (hereinafter referred to
15 as the "Federal Clean Water Act").

16 (2) There is appropriated to the Department of Environmental
17 Protection from the "Interim Environmental Financing Program
18 Fund" created and established by the New Jersey Infrastructure
19 Bank pursuant to subsection d. of section 9 of P.L.1985, c.334
20 (C.58:11B-9) such amounts as may be necessary to supplement the
21 sums appropriated from the Clean Water State Revolving Fund for
22 the purposes of clean water project loans and providing the State
23 match as required or will be required for the award of the
24 capitalization grants made available to the State for clean water
25 projects pursuant to the Federal Clean Water Act.

26 (3) There is appropriated to the Department of Environmental
27 Protection from the "Disaster Relief Emergency Financing Program
28 Fund" created and established by the New Jersey Infrastructure
29 Bank pursuant to section 1 of P.L.2013, c.93 (C.58:11B-9.5) such
30 amounts as may be necessary to supplement the sums appropriated
31 from the Clean Water State Revolving Fund for the purposes of
32 clean water project loans and providing the State match as required
33 or will be required for the award of the capitalization grants made
34 available to the State for clean water projects pursuant to the
35 Federal Clean Water Act.

36 (4) There is appropriated to the Department of Environmental
37 Protection from the "Drinking Water State Revolving Fund"
38 established pursuant to section 1 of P.L.1998, c.84 an amount equal
39 to the federal fiscal year 2018 capitalization grant made available to
40 the State for drinking water projects pursuant to the "Safe Drinking
41 Water Act Amendments of 1996," Pub.L.104-182, and any
42 amendatory and supplementary acts thereto (hereinafter referred to
43 as the "Federal Safe Drinking Water Act").

44 The Department of Environmental Protection is authorized to
45 transfer from the Clean Water State Revolving Fund to the Drinking

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 Water State Revolving Fund an amount up to the maximum amount
2 authorized to be transferred pursuant to the Federal Safe Drinking
3 Water Act to meet present and future needs for the financing of
4 eligible drinking water projects, and an amount equal to that
5 maximum amount is hereby appropriated to the department for
6 those purposes.

7 The Department of Environmental Protection is authorized to
8 transfer from the Drinking Water State Revolving Fund to the Clean
9 Water State Revolving Fund an amount up to the maximum amount
10 authorized to be transferred pursuant to the Federal Clean Water
11 Act to meet present and future needs for the financing of eligible
12 clean water projects, and an amount equal to that maximum amount
13 is hereby appropriated to the department for those purposes.

14 (5) There is appropriated to the Department of Environmental
15 Protection the unappropriated balances from the Clean Water State
16 Revolving Fund, including the balances from the Federal Disaster
17 Relief Appropriations Act, and any repayments of loans and interest
18 therefrom, for the purposes of clean water project loans and
19 providing the State match as available on or before June 30, 2019,
20 as required or will be required for the award of the capitalization
21 grants made available to the State for clean water projects pursuant
22 to the Federal Clean Water Act.

23 (6) There is appropriated to the Department of Environmental
24 Protection the unappropriated balances from the "Wastewater
25 Treatment Fund" established pursuant to section 15 of the
26 "Wastewater Treatment Bond Act of 1985" (P.L.1985, c.329), and
27 any repayments of loans and interest therefrom, as available on or
28 before June 30, 2019, for the purposes of clean water project loans
29 and providing the State match as required or will be required for the
30 award of the capitalization grants made available to the State for
31 clean water projects pursuant to the Federal Clean Water Act.

32 (7) There is appropriated to the Department of Environmental
33 Protection the unappropriated balances from the "1992 Wastewater
34 Treatment Fund" established pursuant to section 27 of the "Green
35 Acres, Clean Water, Farmland and Historic Preservation Bond Act
36 of 1992" (P.L.1992, c.88), and any repayments of loans and interest
37 therefrom, as available on or before June 30, 2019, for the purposes
38 of clean water project loans and providing the State match as
39 required or will be required for the award of the capitalization
40 grants made available to the State for clean water projects pursuant
41 to the Federal Clean Water Act.

42 (8) There is appropriated to the Department of Environmental
43 Protection the unappropriated balances from the "2003 Water
44 Resources and Wastewater Treatment Fund" established pursuant to
45 subsection a. of section 19 of the "Dam, Lake, Stream, Flood
46 Control, Water Resources, and Wastewater Treatment Project Bond
47 Act of 2003" (P.L.2003, c.162), and any repayments of loans and
48 interest therefrom, as available on or before June 30, 2019, for the

1 purposes of clean water project loans and providing the State match
2 as required or will be required for the award of the capitalization
3 grants made available to the State for clean water projects pursuant
4 to the Federal Clean Water Act.

5 (9) There is appropriated to the Department of Environmental
6 Protection the unappropriated balances from the "Pinelands
7 Infrastructure Trust Fund" established pursuant to section 14 of the
8 "Pinelands Infrastructure Trust Bond Act of 1985" (P.L.1985,
9 c.302), and any repayments of loans and interest therefrom, as
10 available on or before June 30, 2019, for the purposes of clean
11 water project loans and providing the State match as required or
12 will be required for the award of the capitalization grants made
13 available to the State for clean water projects pursuant to the
14 Federal Clean Water Act.

15 (10) There is appropriated to the Department of Environmental
16 Protection the unappropriated balances from the "Stormwater
17 Management and Combined Sewer Overflow Abatement Fund,"
18 established pursuant to the "Stormwater Management and
19 Combined Sewer Overflow Abatement Bond Act of 1989"
20 (P.L.1989, c.181), and any repayments of loans and interest
21 therefrom, as available on or before June 30, 2019, for the purposes
22 of clean water project loans and providing the State match as
23 required or will be required for the award of the capitalization
24 grants made available to the State for clean water projects pursuant
25 to the Federal Clean Water Act.

26 (11) There is appropriated to the Department of Environmental
27 Protection the unappropriated balances from the Drinking Water
28 State Revolving Fund, including the balances from the Disaster
29 Relief Appropriations Act of 2013, for the purposes of drinking
30 water project loans and any repayments of loans and interest
31 therefrom, that are or may become available on or before June 30,
32 2019.

33 (12) There is appropriated to the Department of Environmental
34 Protection such sums as may be needed from loan repayments and
35 interest earnings from the "Water Supply Fund" established
36 pursuant to section 14 of the "Water Supply Bond Act of 1981"
37 (P.L.1981, c.261) for the "Drinking Water State Revolving Fund
38 Match Accounts" contained within that fund for the purpose of
39 providing the State match as required or will be required for the
40 award of the capitalization grants made available to the State for
41 drinking water projects pursuant to the Federal Safe Drinking Water
42 Act.

43 (13) There is appropriated to the Department of Environmental
44 Protection from the "Interim Environmental Financing Program
45 Fund" created and established by the New Jersey Infrastructure
46 Bank pursuant to subsection d. of section 9 of P.L.1985, c.334
47 (C.58:11B-9) such amounts as may be or become available on or
48 before June 30, 2019, and any repayments of loans and interest

1 therefrom, as may be necessary to supplement the sums
2 appropriated from the Drinking Water State Revolving Fund for the
3 purposes of drinking water project loans and providing the State
4 match as required or will be required for the award of the
5 capitalization grants made available to the State for clean water
6 projects pursuant to the Federal Safe Drinking Water Act.

7 (14) There is appropriated to the Department of Environmental
8 Protection from the "Disaster Relief Emergency Financing Program
9 Fund" created and established by the New Jersey Infrastructure
10 Bank pursuant to section 1 of P.L.2013, c.93 (C.58:11B-9.5) such
11 amounts as may be necessary to supplement the sums appropriated
12 from the Drinking Water State Revolving Fund for the purposes of
13 drinking water project loans and providing the State match as
14 required or will be required for the award of the capitalization
15 grants made available to the State for drinking water projects
16 pursuant to the Federal Safe Drinking Water Act.

17 (15) There is appropriated to the Department of Environmental
18 Protection such sums as may be received by the Department of
19 Community Affairs as the grantee from the United States
20 Department of Housing and Urban Development Community
21 Development Block Grant - Disaster Recovery Program (CDBG-
22 DR), as anticipated and upon availability on or before June 30,
23 2019, for the purposes of CDBG-DR eligible clean water and
24 drinking water project loans and providing the State match as
25 required or will be required for the award of the capitalization
26 grants made available to the State for clean water projects pursuant
27 to the Federal Clean Water Act and drinking water projects pursuant
28 to the Federal Safe Drinking Water Act, respectively.

29 (16) There is appropriated to the Department of Environmental
30 Protection such sums as may be or become available on or before
31 June 30, 2019, as repayments of drinking water project loans and
32 any interest therefrom from the "Water Supply Fund" established
33 pursuant to section 14 of the "Water Supply Bond Act of 1981"
34 (P.L.1981, c.261) for the purposes of drinking water project loans
35 and providing the State match as required or will be required for the
36 award of the capitalization grants made available to the State for
37 drinking water projects pursuant to the Federal Safe Drinking Water
38 Act.

39 (17) Of the sums appropriated to the Department of
40 Environmental Protection from the "Water Supply Fund" pursuant
41 to P.L.1999, c.174, P.L.2001, c.222, P.L.2002, c.70 and P.L.2003,
42 c.158, the department is authorized to transfer any unexpended
43 balances and any repayments of loans and interest therefrom as may
44 be or become available on or before June 30, 2019, in such amounts
45 as needed to the Drinking Water State Revolving Fund accounts
46 contained within the Water Supply Fund established for the
47 purposes of providing drinking water project loans and providing
48 the State match as required or will be required for the award of the

1 capitalization grants made available to the State for drinking water
2 projects pursuant to the Federal Safe Drinking Water Act.

3 (18) Of the sums appropriated to the Department of
4 Environmental Protection from the "1992 Wastewater Treatment
5 Fund" pursuant to P.L.1996, c.85, P.L.1997, c.221, P.L.1998, c.84,
6 P.L.1999, c.174, P.L.2000, c.92, P.L.2001, c.222 and P.L.2002,
7 c.70, the department is authorized to transfer any unexpended
8 balances and any repayments of loans and interest therefrom as may
9 be or become available on or before June 30, 2019, in such amounts
10 as needed to the Clean Water State Revolving Fund accounts
11 contained within the 1992 Wastewater Treatment Fund for the
12 purposes of providing clean water project loans and providing the
13 State match as required or will be required for the award of the
14 capitalization grants made available to the State for clean water
15 projects pursuant to the Federal Clean Water Act.

16 (19) Of the sums appropriated to the Department of
17 Environmental Protection from the "2003 Water Resources and
18 Wastewater Treatment Fund" pursuant to P.L.2004, c.109, and
19 P.L.2007, c.139, the department is authorized to transfer any
20 unexpended balances and any repayments of loans and interest
21 therefrom as may be or become available on or before June 30,
22 2019, in such amounts as needed to the Clean Water State
23 Revolving Fund accounts contained within the 2003 Water
24 Resources and Wastewater Treatment Fund for the purposes of
25 providing clean water project loans and providing the State match
26 as required or will be required for the award of the capitalization
27 grants made available to the State for clean water projects pursuant
28 to the Federal Clean Water Act.

29 (20) There is appropriated to the Department of Environmental
30 Protection the sums deposited by the New Jersey Infrastructure
31 Bank into the Clean Water State Revolving Fund, the "Wastewater
32 Treatment Fund," the "1992 Wastewater Treatment Fund," the
33 "Water Supply Fund," the "Stormwater Management and Combined
34 Sewer Overflow Abatement Fund," established pursuant to the
35 "Stormwater Management and Combined Sewer Overflow
36 Abatement Bond Act of 1989" (P.L.1989, c.181), the "2003 Water
37 Resources and Wastewater Treatment Fund" and the Drinking
38 Water State Revolving Fund, as appropriate, pursuant to paragraph
39 (6) of subsection c. of section 1 of P.L.2018, c.84 , as amended by
40 P.L. , c. (pending before the Legislature as Senate Bill No. and
41 Assembly Bill No.), as available on or before June 30, 2019, for
42 the purposes of providing clean water project loans and drinking
43 water project loans and providing the State match as required or
44 will be required for the award of the capitalization grants made
45 available to the State for clean water projects pursuant to the
46 Federal Clean Water Act and drinking water projects pursuant to the
47 Federal Safe Drinking Water Act.

1 Any such amounts shall be for the purpose of making zero
2 interest and principal forgiveness financing loans, to the extent
3 sufficient funds are available, to or on behalf of local government
4 units or public water utilities (hereinafter referred to as "project
5 sponsors") to finance a portion of the cost of construction of clean
6 water projects and drinking water projects listed in sections 2 and 3
7 of **[this act]** P.L.2018, c.85, as amended by P.L. , c. (pending
8 before the Legislature as this bill), and for the purpose of
9 implementing and administering the provisions of **[this act]**
10 P.L.2018, c.85, as amended by P.L. , c. (pending before the
11 Legislature as this bill), to the extent permitted by the Federal
12 Disaster Relief Appropriations Act, the Federal Clean Water Act,
13 and any amendatory and supplementary acts thereto, P.L.2009, c.77,
14 the "Wastewater Treatment Bond Act of 1985" (P.L.1985, c.329),
15 the "Water Supply Bond Act of 1981" (P.L.1981, c.261), the
16 "Stormwater Management and Combined Sewer Overflow
17 Abatement Bond Act of 1989" (P.L.1989, c.181), the "Green Acres,
18 Clean Water, Farmland and Historic Preservation Bond Act of
19 1992" (P.L.1992, c.88), the "Dam, Lake, Stream, Flood Control,
20 Water Resources, and Wastewater Treatment Project Bond Act of
21 2003" (P.L.2003, c.162), the Federal Safe Drinking Water Act, and
22 any amendatory and supplementary acts thereto, and State law.

23 b. The department is authorized to make zero interest and
24 principal forgiveness financing loans to or on behalf of the project
25 sponsors for the environmental infrastructure projects listed in
26 subsection a. of section 2 and subsection a. of section 3 of **[this act]**
27 P.L.2018, c.85, as amended by P.L. , c. (pending before the
28 Legislature as this bill), for clean water projects, up to the
29 individual amounts indicated and in the priority stated, to the extent
30 there are sufficient eligible project applications, and except that any
31 such amounts may be reduced if a project fails to meet the
32 requirements of section 4 or 5 of **[this act]** P.L.2018, c.85, as
33 amended by P.L. , c. (pending before the Legislature as this bill),
34 or by the Commissioner of Environmental Protection pursuant to
35 section 7 of **[this act]** P.L.2018, c.85, as amended by P.L. ,
36 c. (pending before the Legislature as this bill), provided:

37 (1) a maximum of \$3 million, as well as any unallocated funds
38 unspent at the end of State fiscal year 2018 from \$10 million
39 reserved in State fiscal year 2018 for Barnegat Bay Watershed
40 projects, in principal forgiveness loans shall be issued to finance
41 Barnegat Bay Watershed environmental infrastructure projects as
42 provided in subsection a. of section 3 of **[this act]** P.L.2018, c.85,
43 as amended by P.L. , c. (pending before the Legislature as this
44 bill), wherein principal forgiveness shall be a minimum of 25
45 percent of the fund loan amount per project sponsor in an amount
46 not to exceed \$2 million of principal forgiveness per project
47 sponsor;

1 (2) a maximum of \$30 million shall be issued to finance clean
2 water redevelopment projects as provided in subsection a. of section
3 3 of **[this act]** P.L.2018, c.85, as amended by P.L. , c. (pending
4 before the Legislature as this bill);

5 (3) to the extent funds are available from funds appropriated but
6 not allocated in State fiscal year 2018 from \$30 million reserved in
7 State fiscal year 2018 for combined sewer overflow projects,
8 principal forgiveness loans shall be issued as provided in subsection
9 a. of section 3 of **[this act]** P.L.2018, c.85, as amended by P.L. ,
10 c. (pending before the Legislature as this bill), to communities in
11 combined sewer overflow sewersheds sponsoring construction
12 projects that reduce or eliminate excessive infiltration/inflow or
13 extraneous flows wherein principal forgiveness loans shall not
14 exceed \$5 million per borrower subject to the availability of funds
15 wherein 50 percent of the principal of the fund loan shall be
16 forgiven, 25 percent of the loan shall be a zero interest rate fund
17 loan, and 25 percent of the loan shall be a trust market rate loan. A
18 100 percent DEP interest-free loan will be issued to borrowers for
19 amounts in excess of the cap;

20 (4) a maximum of \$6 million, as well as any appropriated but
21 unallocated funds designated in State fiscal year 2018 for combined
22 sewer overflow projects, in principal forgiveness loans shall be
23 issued as provided in subsection a. of section 3 of **[this act]**
24 P.L.2018, c.85, as amended by P.L. , c. (pending before the
25 Legislature as this bill), for combined sewer overflow abatement
26 projects, including projects that use practices that restore natural
27 hydrology through infiltration, evapotranspiration, or the usage or
28 harvesting of stormwater, wherein principal forgiveness loans shall
29 not exceed \$2 million per borrower subject to the availability of
30 funds, and wherein 50 percent of the principal of the fund loan shall
31 be forgiven, 25 percent of the loan shall be a zero interest rate fund
32 loan, and 25 percent of the loan shall be a trust market rate loan
33 subject to the availability of funds. A 100 percent DEP interest-free
34 loan will be issued to borrowers for amounts in excess of the cap;

35 (5) to the extent funds are available, a maximum of \$1 million
36 in principal forgiveness loans shall be issued to finance clean water
37 environmental infrastructure projects as provided in subsection a. of
38 section 3 of **[this act]** P.L.2018, c.85, as amended by P.L. ,
39 c. (pending before the Legislature as this bill), for systems serving
40 populations of up to 10,000 residents for the development of asset
41 management plans wherein principal forgiveness shall be 100
42 percent of the fund loan amount per project in an amount not to
43 exceed \$100,000 per project sponsor subject to the availability of
44 funds; and

45 (6) those projects listed in subsection a. of section 2 of **[this**
46 **act]** P.L.2018, c.85, as amended by P.L. , c. (pending before the
47 Legislature as this bill), and subsection a. of section 3 of **[this act]**

1 P.L.2018, c.85, as amended by P.L. , c. (pending before the
2 Legislature as this bill), that were previously identified in P.L.2017,
3 c.143, as amended by P.L.2017, c.326, are granted continued
4 priority status and shall be subject to the provisions of P.L.2017,
5 c.143, as amended by P.L.2017, c.326 provided such projects
6 receive short-term funding prior to June 30, 2019.

7 c. The department is authorized to make zero interest and
8 principal forgiveness financing loans to or on behalf of the project
9 sponsors for the environmental infrastructure projects listed in
10 subsection b. of section 3 of **【this act】** P.L.2018, c.85, as amended
11 by P.L. , c. (pending before the Legislature as this bill), for
12 drinking water projects, up to the individual amounts indicated and
13 in the priority stated, provided:

14 (1) a maximum of 30 percent of the 2018 Drinking Water State
15 Revolving Fund capitalization grant not to exceed \$5 million may
16 be issued as provided in subsection b. of section 3 of **【this act】**
17 P.L.2018, c.85, as amended by P.L. , c. (pending before the
18 Legislature as this bill), for drinking water systems, as follows:

19 (a) up to \$4 million of Drinking Water State Revolving Fund
20 loans shall be available for drinking water systems serving
21 populations of up to 10,000 residents wherein principal forgiveness
22 shall not exceed \$500,000 in the aggregate and shall not exceed 50
23 percent of the total loan amount per project sponsor in an amount
24 not to exceed \$1 million per project sponsor.

25 Loans for drinking water systems serving 500 or fewer residents
26 shall be given the highest priority, followed by systems serving
27 between 501 to 10,000 residents;

28 (b) a maximum of \$1 million in principal forgiveness loans shall
29 be issued to drinking water systems serving populations of up to
30 10,000 residents for the development of asset management plans
31 wherein principal forgiveness shall be 100 percent of the fund loan
32 amount per project in an amount not to exceed \$100,000 per project
33 sponsor subject to the availability of funds; and

34 (c) a maximum of \$30 million of principal forgiveness for
35 drinking water systems serving communities with a median
36 household income less than the median household income for the
37 county in which they are located for lead line replacement wherein
38 principal forgiveness shall not exceed \$1 million of principal
39 forgiveness per water system project.

40 Loans may be made pursuant to this subsection to the extent
41 there are sufficient eligible project applications and as required or
42 will be required for the award of the capitalization grants made
43 available to the State for drinking water projects pursuant to the
44 Federal Safe Drinking Water Act. Any such amounts may be
45 reduced by the Commissioner of Environmental Protection pursuant
46 to section 7 of **【this act】** P.L.2018, c.85, as amended by P.L. ,
47 c. (pending before the Legislature as this bill), or if a project fails
48 to meet the requirements of section 4 or 5 of **【this act】** P.L.2018,

1 c.85, as amended by P.L. , c. (pending before the Legislature as
2 this bill).

3 (2) Those projects listed in subsection a. of section 3 of **[this**
4 **act]** P.L.2018, c.85, as amended by P.L. , c. (pending before the
5 Legislature as this bill), and subsection b. of section 3 of **[this act]**
6 P.L.2018, c.85, as amended by P.L. , c. (pending before the
7 Legislature as this bill), that were previously identified in P.L.2017,
8 c.143, as amended by P.L.2017, c.326, are granted continued
9 priority status and shall be subject to the provisions of P.L.2017,
10 c.143, as amended by P.L.2017, c.326, provided such projects
11 receive short-term funding prior to June 30, **[2018]** 2019.

12 d. The department is authorized to make zero interest and
13 principal forgiveness financing loans to or on behalf of the project
14 sponsors for the environmental infrastructure projects listed in
15 sections 2 and 3 of **[this act]** P.L.2018, c.85, as amended by P.L. ,
16 c. (pending before the Legislature as this bill), under the same
17 terms, conditions and requirements as set forth in this section from
18 any unexpended balances of the amounts appropriated pursuant to
19 section 1 of P.L.1987, c.200, section 2 of P.L.1988, c.133, section 1
20 of P.L.1989, c.189, section 1 of P.L.1990, c.99, section 1 of
21 P.L.1991, c.325, section 1 of P.L.1992, c.38, section 1 of P.L.1993,
22 c.193, section 1 of P.L.1994, c.106, section 1 of P.L.1995, c.219,
23 section 1 of P.L.1996, c.85, section 1 of P.L.1997, c.221, section 2
24 of P.L.1998, c.84, section 2 of P.L.1999, c.174, section 2 of
25 P.L.2000, c.92, sections 1 and 2 of P.L.2001, c.222, sections 1 and
26 2 of P.L.2002, c.70, sections 1 and 2 of P.L.2003, c.158, sections 1
27 and 2 of P.L.2004, c.109, sections 1 and 2 of P.L.2005, c.196,
28 sections 1 and 2 of P.L.2006, c.68, sections 1 and 2 of P.L.2007,
29 c.139, sections 1 and 2 of P.L.2008, c.68, sections 1 and 2 of
30 P.L.2009, c.102, sections 1 and 2 of P.L.2010, c.63, sections 1 and
31 2 of P.L.2011, c.93, sections 1 and 2 of P.L.2012, c.43, sections 1
32 and 2 of P.L.2013, c.95, sections 1 and 2 of P.L.2014, c.25, sections
33 1 and 2 of P.L.2015, c.108, **[and]** sections 1 and 2 of P.L.2016,
34 c.32, as amended by P.L.2017, c.14, **[and]** sections 1 and 2 of
35 P.L.2017, c.143, as amended by P.L.2017, c.326, and sections 1 and
36 2 of P.L.2018, c.85, as amended by P.L. , c. (pending before the
37 Legislature as this bill), including amounts resulting from the low
38 bid and final building cost reductions authorized pursuant to section
39 6 of P.L.1987, c.200, section 7 of P.L.1988, c.133, section 6 of
40 P.L.1989, c.189, section 6 of P.L.1990, c.99, section 6 of P.L.1991,
41 c.325, section 6 of P.L.1992, c.38, section 6 of P.L.1993, c.193,
42 section 6 of P.L.1994, c.106, section 6 of P.L.1995, c.219, section 6
43 of P.L.1996, c.85, section 6 of P.L.1997, c.221, section 7 of
44 P.L.1998, c.84, section 6 of P.L.1999, c.174, section 6 of P.L.2000,
45 c.92, section 6 of P.L.2001, c.222, section 6 of P.L.2002, c.70,
46 section 6 of P.L.2003, c.158, section 6 of P.L.2004, c.109, section 6
47 of P.L.2005, c.196, section 6 of P.L.2006, c.68, section 6 of

1 P.L.2007, c.139, section 6 of P.L.2008, c.68, section 7 of P.L.2009,
2 c.102, section 6 of P.L.2010, c.63, section 6 of P.L.2011, c.93,
3 section 6 of P.L.2012, c.43, section 6 of P.L.2013, c.95, section **[6]**
4 7 of P.L.2014, c.25, section **[6]** 7 of P.L.2015, c.108, **[and]** section
5 **[6]** 7 of P.L.2016, c.32, as amended by P.L.2017, c.14, **[and]**
6 section **[6]** 7 of P.L.2017, c.143 as amended by P.L.2017, c.326,
7 and section 7 of P.L.2018, c.85, as amended by P.L. , c. (pending
8 before the Legislature as this bill), and from any repayments of
9 loans and interest from the Clean Water State Revolving Fund, the
10 "Wastewater Treatment Fund," the "Water Supply Fund," the "1992
11 Wastewater Treatment Fund," the "2003 Water Resources and
12 Wastewater Treatment Fund," and amounts deposited therein during
13 State fiscal year 2017 and State fiscal year 2018 pursuant to the
14 provisions of section 16 of P.L.1985, c.329, and section 2 of
15 P.L.2009, c.77 and any amendatory and supplementary acts thereto,
16 including any Clean Water State Revolving Fund Accounts
17 contained within the "Wastewater Treatment Fund," and from any
18 repayment of loans and interest from the Drinking Water State
19 Revolving Fund.

20 e. The department is authorized to make zero interest and
21 principal forgiveness Sandy financing loans to or on behalf of the
22 project sponsors for the Sandy environmental infrastructure projects
23 listed in subsection a. of section 3 of **[this act]** P.L.2018, c.85, as
24 amended by P.L. , c. (pending before the Legislature as this bill),
25 for clean water projects and subsection b. of section 3 of **[this act]**
26 P.L.2018, c.85, as amended by P.L. , c. (pending before the
27 Legislature as this bill), for drinking water projects, in a manner
28 consistent with the Federal Disaster Relief Appropriations Act, up
29 to the individual amounts indicated, except that any such amount
30 may be reduced by the Commissioner of Environmental Protection
31 pursuant to section 7 of **[this act]** P.L.2018, c.85, as amended by
32 P.L. , c. (pending before the Legislature as this bill), or if a
33 project fails to meet the requirements of section 4, 5, or 7 of **[this**
34 **act]** P.L.2018, c.85, as amended by P.L. , c. (pending before the
35 Legislature as this bill), provided a maximum of \$300 million shall
36 be provided for Sandy financing loans for clean water and drinking
37 water projects to provide financial assistance to communities
38 affected by the Storm Sandy, and for projects whose purpose is to
39 reduce flood damage risk and vulnerability or to enhance resiliency
40 to rapid hydrologic change or a natural disaster.

41 f. For the purposes of **[this act]** P.L.2018, c.85, as amended by
42 P.L. , c. (pending before the Legislature as this bill):

43 "Base financing" means zero interest loans provided by the
44 Department of Environmental Protection from moneys made
45 available for the purposes of **[this act]** P.L.2018, c.85, as amended
46 by P.L. , c. (pending before the Legislature as this bill), from any
47 source other than funds received pursuant to the Federal Disaster

1 Relief Appropriations Act, related State matching funds, and
 2 interest earned thereon.

3 “Federal Disaster Relief Appropriations Act” means the
 4 "Disaster Relief Appropriations of 2013" (Pub.L.113-2), and any
 5 amendatory and supplementary acts thereto.

6 “Sandy financing” or “Sandy funding” means grants, zero
 7 interest loans or principal forgiveness loans provided by the
 8 Department of Environmental Protection from funds made available
 9 to the State for clean water projects, clean water project match,
 10 drinking water projects or drinking water project match pursuant to
 11 the Federal Disaster Relief Appropriations Act.

12 (cf: P.L.2018, c.85, s.1)

13

14 2. Section 2 of P.L.2018, c.85 is amended to read as follows:

15 2. a. (1) The department is authorized to expend funds for
 16 the purpose of making supplemental zero interest loans to or on
 17 behalf of the project sponsors listed below for the following clean
 18 water environmental infrastructure projects:

19

Project Sponsor	Project Number	Estimated Allowable DEP Loan Amount	Estimated Total Allowable Loan Amount
Burlington Township	S340712-14-1	\$150,000	\$200,000
Manasquan Borough	S340450-01-1	\$1,582,500	\$2,110,000
Mendham Township	S340477-01-1	\$1,615,500	\$2,154,000
North Hudson SA	S340952-19-1	\$525,000	\$700,000
Warren Township SA	S340964-02-1	\$262,500	\$350,000
Total Projects: [5] 3		[\$4,135,500] <u>\$937,500</u>	[\$5,514,000] <u>\$1,250,000</u>

20

21 (2) The loans authorized in this subsection shall be made for the
 22 difference between the allowable loan amounts required by these
 23 projects based upon final building costs pursuant to section 7 of
 24 **[this act]** P.L.2018, c.85, as amended by P.L. _____, c. _____ (pending
 25 before the Legislature as this bill), and the loan amounts certified
 26 by the Commissioner of Environmental Protection in State fiscal
 27 years 2016, 2017, and 2018 and for increased allowable costs as
 28 defined and determined in accordance with the rules and regulations
 29 adopted by the department pursuant to section 4 of P.L.1985, c.329.
 30 The loans authorized in this subsection shall be made to or on

1 behalf of the project sponsors listed, up to the individual amounts
 2 indicated and in the priority stated, to the extent sufficient funds are
 3 available, except as a project fails to meet the requirements of
 4 section 4, 5, or 7 of **[this act]** P.L.2018, c.85, as amended by P.L.
 5 , c. (pending before the Legislature as this bill).

6 (3) The zero interest loans for the projects authorized in this
 7 subsection shall have priority over projects listed in subsection a. of
 8 section 3 of **[this act]** P.L.2018, c.85, as amended by P.L. _____, c.
 9 (pending before the Legislature as this bill).

10 b. The Department of Environmental Protection is authorized
 11 to adjust the allowable Department of Environmental Protection
 12 loan amount for projects authorized in this section to between 25
 13 percent and 75 percent of the total allowable loan amount.
 14 (cf: P.L.2018, c.85, s.2)

15

16 3. Section 3 of P.L.2018, c.85 is amended to read as follows:

17 3. a. The following environmental infrastructure projects shall
 18 be known and may be cited as the "Storm Sandy and State Fiscal
 19 Year 2019 Clean Water Project Eligibility List":

20

Project Sponsor	Project Number	Estimated Allowable DEP Loan Amount	Estimated Total Allowable Loan Amount
Aberdeen Township	S340869-02	\$6,750,000	\$9,000,000
[Atlantic County UA	S340809-23	\$11,040,000	\$11,040,000]
Atlantic County UA	S340809-24	\$600,000	\$800,000
Atlantic County UA	S340809-25	\$17,520,000	\$17,520,000
[Atlantic County UA	S340809-26	\$1,500,000	\$1,500,000]
Atlantic County UA	S340809-28	\$3,075,000	\$4,100,000
[Bayshore RSA	S340697-05	\$9,750,000	\$13,000,000]
Bayshore RSA	S340697-06	\$11,325,000	\$15,100,000
Bradley Beach Borough	S340472-01	\$2,025,000	\$2,700,000
Bradley Beach Borough	S340472-02	\$1,942,538	\$2,590,050
Burlington City	S340140-01	\$1,275,000	\$1,700,000

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<u>Burlington Township</u>	<u>S340712-16</u>	<u>\$720,000</u>	<u>\$960,000</u>
<u>Camden City</u>	<u>S340366-16</u>	<u>\$1,350,000</u>	<u>\$1,800,000</u>
Camden County MUA	S340640-17	\$2,625,000	\$3,500,000
【Carteret Borough	S340939-09	\$11,257,500	\$15,010,000】
Cinnaminson SA	S340170-08	\$870,000	\$1,160,000
Elizabeth City	S340942-19	\$5,775,000	\$7,700,000
<u>Franklin Township SA</u>	<u>S34-0839-07</u>	<u>\$1,470,000</u>	<u>\$1,960,000</u>
Glen Ridge Borough	S340861-03	\$334,387	\$445,849
Gloucester City	S340958-08	\$1,575,000	\$2,100,000
<u>Gloucester County Improvement Authority</u>	<u>S342016-03</u>	<u>\$10,419,930</u>	<u>\$13,893,240</u>
Gloucester County UA	S340902-14	\$33,750,000	\$45,000,000
【Gloucester County UA	S340902-16	\$1,575,000	\$2,100,000
Hightstown Borough	S340915-05	\$1,050,000	\$1,400,000】
<u>Gloucester Township</u>	<u>S340364-15</u>	<u>\$1,087,500</u>	<u>\$1,450,000</u>
Hoboken City	S340635-07	\$3,750,000	\$5,000,000
<u>Howell Township</u>	<u>S344040-02</u>	<u>\$11,010,000</u>	<u>\$14,680,000</u>
Jersey City	S340928-30	\$2,033,250	\$2,711,000
Jersey City MUA	S340928-15	\$30,750,000	\$41,000,000
Jersey City MUA	S340928-19	\$5,625,000	\$7,500,000
Jersey City MUA	S340928-20	\$5,400,000	\$7,200,000
Jersey City MUA	S340928-22	\$562,500	\$750,000
<u>Jersey City MUA</u>	<u>S340928-28</u>	<u>\$2,025,000</u>	<u>\$2,700,000</u>
Kearny MUA	S340259-07	\$4,875,000	\$6,500,000
【Little Egg Harbor MUA	S340579-02	\$3,187,500	\$4,250,000】

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<u>Little Egg Harbor Township</u>	<u>S344060-02</u>	<u>\$3,187,500</u>	<u>\$4,250,000</u>
Manasquan River RSA	S340911-03	\$495,000	\$660,000
【 Mendham Township	S340477-01	\$1,875,000	\$2,500,000
Millville City	S340921-07	\$9,000,000	】 \$12,000,000
<u>Manchester Township</u>	<u>S340650-08</u>	<u>\$2,250,000</u>	<u>\$3,000,000</u>
<u>Middlesex Borough</u>	<u>S340698-02</u>	<u>\$1,926,563</u>	<u>\$2,568,750</u>
<u>Middlesex County UA</u>	<u>S340699-13</u>	<u>\$26,406,467</u>	<u>\$35,208,623</u>
Montclair Township	S340837-04	\$1,275,000	\$1,700,000
<u>Montclair Township</u>	<u>S340837-03</u>	<u>\$1,275,000</u>	<u>\$1,700,000</u>
Newark City	S340815-22	\$7,875,000	\$10,500,000
North Bergen MUA	S340652-14	\$17,250,000	\$23,000,000
North Hudson SA	S340952-22	\$13,500,000	\$18,000,000
North Hudson SA	S340952-23	\$2,325,000	\$3,100,000
North Hudson SA	S340952-28	\$1,275,000	\$1,700,000
Northwest Bergen County UA	S340700-13	\$3,900,000	\$5,200,000
<u>Northwest Bergen County UA</u>	<u>S340700-15</u>	<u>\$5,250,000</u>	<u>\$7,000,000</u>
<u>Northwest Bergen County UA</u>	<u>S340700-16</u>	<u>\$3,288,750</u>	<u>\$4,385,000</u>
<u>Northwest Bergen County UA</u>	<u>S340700-18</u>	<u>\$1,500,000</u>	<u>\$2,000,000</u>
Ocean County	S344080-09	\$975,000	\$1,300,000
Ocean County	S344080-10	\$187,500	\$250,000
Ocean County	S344080-11	\$262,500	\$350,000
<u>Ocean County UA</u>	<u>S340372-58</u>	<u>\$3,323,250</u>	<u>\$4,431,000</u>
<u>Ocean County UA</u>	<u>S340372-59</u>	<u>\$5,217,440</u>	<u>\$6,956,586</u>

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Ocean Township SA	S340750-13	\$412,500	\$550,000
Ocean Township SA	S340750-14	\$1,875,000	\$2,500,000
<u>Ocean Township SA</u>	<u>S340750-12</u>	<u>\$3,075,000</u>	<u>\$4,100,000</u>
<u>Old Bridge MUA</u>	<u>S340945-14</u>	<u>\$2,467,500</u>	<u>\$3,290,000</u>
Passaic Valley SC	S340689-25	\$6,825,000	\$9,100,000
Passaic Valley SC	S340689-30	\$2,775,000	\$3,700,000
Passaic Valley SC	S340689-31	\$3,000,000	\$4,000,000
Passaic Valley SC	S340689-32	\$7,500,000	\$10,000,000
Passaic Valley SC	S340689-34	\$2,175,000	\$2,900,000
Passaic Valley SC	S340689-38	\$15,750,000	\$21,000,000
Passaic Valley SC	S340689-39	\$3,612,000	\$4,816,000
<u>Passaic Valley SC</u>	<u>S345200-02</u>	<u>\$1,500,000</u>	<u>\$2,000,000</u>
Paulsboro Borough	S340164-01	\$2,062,500	\$2,750,000
Perth Amboy City	S340435-11	\$4,844,513	\$6,459,351
Perth Amboy City	S340435-13	\$637,500	\$850,000
<u>Perth Amboy City</u>	<u>S340435-18</u>	<u>\$1,327,500</u>	<u>\$1,770,000</u>
Plumsted Township	S340607-03	\$20,250,000	\$27,000,000
Point Pleasant Beach Borough	S344190-02	\$2,250,000	\$3,000,000
Rahway Valley SA	S340547-15	\$1,941,389	\$2,588,518
Rahway Valley SA	S340547-14	\$7,125,000	\$9,500,000
<u>Raritan Township MUA</u>	<u>S340485-12</u>	<u>\$3,262,500</u>	<u>\$4,350,000</u>
Riverdale Borough	S340729-02	\$217,342	\$289,789
Riverside SA	S340490-01	\$630,000	\$840,000

Rockaway Valley RSA	S340821-06	\$6,000,000	\$8,000,000
Rockaway Valley RSA	S340821-07	\$6,150,000	\$8,200,000
Rockaway Valley RSA	S340821-09	\$1,650,000	\$2,200,000
Roxbury Township	S340381-07	\$5,625,000	\$7,500,000
Ship Bottom Borough	S340311-03	\$3,525,000	\$4,700,000
Somerset Raritan Valley SA	S340801-08	\$12,375,000	\$16,500,000
Somerville Borough	S342013-01	\$8,625,000	\$11,500,000
Stafford Township	S344100-03	\$4,200,000	\$5,600,000
Stony Brook RSA	S340400-10	\$3,825,000	\$5,100,000
【Sussex County MUA	S342008-05	\$9,750,000	\$13,000,000
Ventnor City	S340667-03	\$1,500,000	\$2,000,000 】
<u>Tuckerton Borough</u>	<u>S340034-03</u>	<u>\$1,053,905</u>	<u>\$1,405,206</u>
<u>West Deptford Township</u>	<u>S340947-05</u>	<u>\$1,061,250</u>	<u>\$1,415,000</u>
<u>Western Monmouth UA</u>	<u>S340128-06</u>	<u>\$9,075,000</u>	<u>\$12,100,000</u>
Total Projects: 【70】		【\$389,100,418】	【\$508,780,557】
<u>84</u>		\$432,145,474	<u>\$570,353,962</u>

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b. The following environmental infrastructure projects shall be known and may be cited as the "Storm Sandy and State Fiscal Year 2019 Drinking Water Project Eligibility List":

Project Sponsor	Project No.	Estimated Allowable DEP Loan Amount	Estimated Total Allowable Loan Amount
Aberdeen Township	1330004-001	\$2,925,000	\$3,900,000
Bellmawr Borough	0404001-006	\$1,725,000	\$2,300,000

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Berkeley Township MUA	1505004-009	\$1,650,000	\$2,200,000
【Berkeley Township MUA	1505004-007	\$525,000	\$700,000】
Bordentown City	0303001-008	\$1,650,000	\$2,200,000
Brick Township MUA	1506001-012	\$4,065,000	\$5,420,000
【Cape May City	0502001-004	\$1,650,000	\$2,200,000
Clinton Town	1005001-008	\$1,125,000	\$1,500,000
Clinton Town	1005001-009	\$900,000	\$1,200,000
Elmer Borough	1702001-001	\$600,000	\$800,000】
<u>Brick Township MUA</u>	<u>1506001-009</u>	<u>\$4,446,570</u>	<u>\$5,928,760</u>
<u>Brick Township MUA</u>	<u>1506001-010</u>	<u>\$870,000</u>	<u>\$1,160,000</u>
Gloucester City	0414001-022	\$900,000	\$1,200,000
<u>Hampton Borough</u>	<u>1013001-001</u>	<u>\$1,350,000</u>	<u>\$1,800,000</u>
<u>Hightstown Borough</u>	<u>1104001-010</u>	<u>\$1,331,759</u>	<u>\$1,775,678</u>
Hoboken City	0905001-001	\$6,375,000	\$8,500,000
Jackson Township MUA	1511001-012	\$8,250,000	\$11,000,000
Jackson Township MUA	1511001-013	\$15,000,000	\$20,000,000
Jackson Township MUA	1511001-010	\$6,150,000	\$8,200,000
【Lavallette Borough	1515001-001	\$998,250	\$1,331,000
Little Egg Harbor MUA	1516001-004	\$2,250,000	\$3,000,000】
<u>Jackson Township MUA</u>	<u>1511001-011</u>	<u>\$1,200,000</u>	<u>\$1,600,000</u>
<u>Jersey City MUA</u>	<u>0906001-015</u>	<u>\$2,691,950</u>	<u>\$3,589,266</u>
<u>Jersey City MUA</u>	<u>0906001-019</u>	<u>\$4,545,000</u>	<u>\$6,060,000</u>

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<u>Lakewood Township MUA</u>	<u>1514002-003</u>	<u>\$1,080,000</u>	<u>\$1,440,000</u>
<u>Little Egg Harbor MUA</u>	<u>1516001-500</u>	<u>\$750,000</u>	<u>\$1,000,000</u>
Long Beach Township	1517001-501	\$1,725,000	\$2,300,000
<u>Long Beach Township</u>	<u>1517001-502</u>	<u>\$8,625,000</u>	<u>\$11,500,000</u>
<u>Lower Township MUA</u>	<u>0505002-003</u>	<u>\$5,192,555</u>	<u>\$6,923,406</u>
Manchester Township	1518005-002	\$4,125,000	\$5,500,000
Mantua Township MUA	0810004-002	\$1,350,000	\$1,800,000
Mantua Township MUA	0810004-003	\$1,050,000	\$1,400,000
【 Maple Shade Township	0319001-006	\$1,950,000	\$2,600,000
Middlesex Water Company	1225001-026	\$9,750,000	】 \$13,000,000
<u>Middlesex Water Company</u>	<u>1225001-028</u>	<u>\$8,400,000</u>	<u>\$11,200,000</u>
<u>Milltown Borough</u>	<u>1212001-005</u>	<u>\$1,350,000</u>	<u>\$1,800,000</u>
<u>National Park Borough</u>	<u>0812001-004</u>	<u>\$1,275,000</u>	<u>\$1,700,000</u>
Netcong Borough	1428001-007	\$2,775,000	\$3,700,000
Netcong Borough	1428001-008	\$825,000	\$1,100,000
Netcong Borough	1428001-009	\$300,000	\$400,000
Newark City	0714001-016	\$10,500,000	\$14,000,000
【 Newark City	0714001-500	\$3,825,000	】 \$5,100,000
<u>Newark City</u>	<u>0714001-018</u>	<u>\$3,600,000</u>	<u>\$4,800,000</u>
NJ American Water Co., Inc.	1345001-017	\$7,575,000	\$10,100,000
NJ American Water Co., Inc.	2004002-013	\$12,000,000	\$16,000,000
【 NJ American Water Co., Inc.	2004002-500	\$27,000,000	】 \$36,000,000

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NJ American Water Co., Inc.	1345001-016	\$10,125,000	\$13,500,000
NJ American Water Co., Inc.	2004002-011	\$9,600,000	\$12,800,000】
North Jersey District Water Supply Comm.	1613001-022	\$12,750,000	\$17,000,000
North Jersey District Water Supply Comm.	1613001-025	\$18,000,000	\$24,000,000
【Old Bridge MUA	1613001-033	\$3,075,000	\$4,100,000
Paulsboro Borough	1209002-013	\$3,000,000	\$4,000,000
Pennington Borough	0814001-003	\$2,100,000	\$2,800,000
Rahway City	1108001-002	\$937,500	\$1,250,000
Red Bank Borough	2013001-007	\$13,650,000	\$18,200,000
Saddle Brook Township	1340001-002	\$1,500,000	\$2,000,000
Ship Bottom Borough	0257001-002	\$1,425,000	\$1,900,000
Stafford Township	1528001-002	\$2,812,500	\$3,750,000
Total Projects: 44	1530004-018	\$1,800,000	\$2,400,000
		\$222,263,250	\$296,351,000】
<u>North Jersey District Water Supply Comm.</u>	<u>1613001-033</u>	<u>\$3,075,000</u>	<u>\$4,100,000</u>
<u>Old Bridge MUA</u>	<u>1209002-013</u>	<u>\$3,000,000</u>	<u>\$4,000,000</u>
<u>Paulsboro Borough</u>	<u>0814001-003</u>	<u>\$2,100,000</u>	<u>\$2,800,000</u>
<u>Pennington Borough</u>	<u>1108001-002</u>	<u>\$937,500</u>	<u>\$1,250,000</u>
<u>Red Bank Borough</u>	<u>1340001-002</u>	<u>\$1,500,000</u>	<u>\$2,000,000</u>
<u>Ship Bottom Borough</u>	<u>1528001-002</u>	<u>\$2,812,500</u>	<u>\$3,750,000</u>
<u>Stafford Township</u>	<u>1530004-018</u>	<u>\$1,425,000</u>	<u>\$1,900,000</u>
<u>Tuckerton Borough</u>	<u>1532002-006</u>	<u>\$1,102,613</u>	<u>\$1,470,150</u>
<u>Wall Township</u>	<u>1352003-001</u>	<u>\$1,350,000</u>	<u>\$1,800,000</u>

Wall Township	<u>1352003-002</u>	<u>\$2,775,000</u>	<u>\$3,700,000</u>
<u>Total Projects:</u> <u>47</u>		<u>\$188,450,447</u>	<u>\$251,267,260</u>

1
 2 c. The Department of Environmental Protection is authorized
 3 to adjust the allowable Department of Environmental Protection
 4 loan amount for projects authorized in this section to between 25
 5 percent and 75 percent of the total allowable loan amount and loan
 6 amounts to less than 25 percent to the extent the priority ranking
 7 and an insufficiency of funding prevents the department from
 8 making the loan.
 9 (cf: P.L.2018, c.85, s.3)

10
 11 4. Section 4 of P.L.2018, c.85 is amended to read as follows:
 12 4. Any financing loan made by the Department of
 13 Environmental Protection pursuant to **【this act】** P.L.2018, c.85, as
 14 amended by P.L. , c. (pending before the Legislature as this bill),
 15 shall be subject to the following requirements:

16 a. The Commissioner Environmental Protection has certified
 17 that the project is in compliance with the provisions of P.L.1977,
 18 c.224, P.L.1985, c.329, P.L.1992, c.88, P.L.1997, c.223, P.L.1997,
 19 c.225 or P.L.2003, c.162, and any rules and regulations adopted
 20 pursuant thereto;

21 b. A loan for an environmental infrastructure project listed in
 22 section 2 or 3 of **【this act】** P.L.2018, c.85, as amended by P.L. , c.
 23 (pending before the Legislature as this bill), shall be subject to the
 24 terms and conditions of the financing program year in which the
 25 trust issued an interim financing program fund loan for such project
 26 or the terms and conditions of the state fiscal year 2019 financing
 27 program in the absence of an interim financing program fund loan.

28 c. The estimated Department of Environmental Protection
 29 allowable loan amount shall not exceed 75 percent of the total
 30 allowable loan amount of the environmental infrastructure facility
 31 for projects listed in subsections a. and b. of section 2 **【of this act,】**
 32 and in subsections a. and b. of section 3 of **【this act】** P.L.2018,
 33 c.85, as amended by P.L. , c. (pending before the Legislature as
 34 this bill), provided that:

35 (1) for clean water project and drinking water project loans to
 36 (a) municipalities that do not satisfy the New Jersey Infrastructure
 37 Bank credit policy but are subject to State financial supervision and
 38 oversight pursuant to the "Local Government Supervision Act
 39 (1947)," P.L.1947, c.151 (C.52:27BB-1 et seq.), or (b) municipal,
 40 county, or regional sewerage authorities, or utilities authorities, that
 41 do not satisfy the New Jersey Infrastructure Bank credit policy but
 42 where the municipal participant through its service agreement with
 43 the authority or utility is under State financial supervision and

1 oversight pursuant to the "Local Government Supervision Act
2 (1947)," P.L.1947, c.151 (C.52:27BB-1 et seq.), and the repayment
3 obligation of the authority or utility is secured by the full faith and
4 credit of the participating municipality pursuant to the service
5 agreement, the Department of Environmental Protection allowable
6 loan amount shall be up to 100 percent of the total allowable loan
7 amount not to exceed a total of \$10 million for all such loans;

8 (2) for clean water and drinking water loans to municipalities
9 receiving funding under the United States Department of Housing
10 and Urban Development Community Development Block Grant –
11 Disaster Recovery Program (CDBG-DR) the Department of
12 Environmental Protection allowable loan amount shall be up to 100
13 percent of the total allowable loan amount; and

14 (3) for loans to communities in a combined sewer overflow
15 sewershed sponsoring construction projects that reduce or eliminate
16 excessive infiltration, inflow, or extraneous flows, the Department
17 of Environmental Protection allowable loan amount shall be up to
18 100 percent of the total allowable loan amount;

19 d. With the exception of paragraphs (1) through (3) of
20 subsection c. of this section, the loan shall be conditioned upon
21 approval of a loan from the New Jersey Infrastructure Bank
22 pursuant to P.L.2018, c.84 , as amended by P.L. , c. (pending
23 before the Legislature as Senate Bill No. and Assembly Bill
24 No.);

25 e. The loan shall be repaid within a period not to exceed 30
26 years, or 45 years for combined sewer overflow abatement projects,
27 of the making of the loan; and

28 f. The loan shall be subject to any other terms and conditions
29 as may be established by the commissioner and approved by the
30 State Treasurer, which may include, notwithstanding any other
31 provision of law to the contrary, subordination of a loan authorized
32 in **【this act】** P.L.2018, c.85, as amended by P.L. , c. (pending
33 before the Legislature as this bill), to loans made by the New Jersey
34 Infrastructure Bank pursuant to **【P.L. , c. (pending before the**
35 **Legislature as Senate Bill No. 2647 of 2018 and Assembly Bill**
36 **No. of 2018)】** P.L.2018, c.84, as amended by P.L. ,
37 c. (pending before the Legislature as Senate Bill No. and
38 Assembly Bill No.), or to administrative fees payable to the trust
39 pursuant to subsection o. of section 5 of P.L.1985, c.334
40 (C.58:11B-5).

41 (cf: P.L.2018, c.85, s.4)

42

43 5. Section 5 of P.L.2018, c.85 is amended to read as follows:

44 5. a. Any Sandy financing loan made by the Department of
45 Environmental Protection pursuant to **【this act】** P.L.2018, c.85, as
46 amended by P.L. , c. (pending before the Legislature as this bill),
47 shall be subject to the following requirements:

1 (1) The commissioner has certified that the project is in
2 compliance with the provisions of Title X, Chapter 7 of the Federal
3 "Disaster Relief Appropriations Act of 2013" (Pub.L.113-2), and
4 any amendatory and supplementary acts thereto; and

5 (2) The commissioner has certified that the project is in
6 compliance with the provisions of P.L.1977, c.224, P.L.1985, c.329,
7 P.L.1992, c.88, P.L.1997, c.223, P.L.1997, c.225 or P.L.2003,
8 c.162, and any rules and regulations adopted pursuant thereto.

9 b. The total amount of Sandy financing loans received by any
10 project sponsor for drinking water projects listed in subsection b. of
11 section 3 of **[this act]** P.L.2018, c.85, as amended by P.L. _____,
12 c. (pending before the Legislature as this bill), shall not exceed
13 \$15 million of which not more than \$4.5 million of the principal
14 may be forgiven. In the event a project sponsor's individual loan
15 needs exceed \$15 million, the borrower may select which of its
16 projects it will seek funding pursuant to this section, and the
17 borrower may seek a loan for excess costs in a base financing loan.
18 In the event that additional Sandy funding becomes available
19 because project sponsors do not close on loans or the project
20 sponsors loan requests are less than originally applied for, the loan
21 not to exceed amount may be increased to the extent needed to
22 assure full utilization of Sandy funding for drinking water projects,
23 provided:

24 (1) the loan shall be repaid within a period not to exceed 30
25 years of the making of the loan;

26 (2) the loan shall be conditioned upon approval of a loan from
27 the New Jersey Infrastructure Bank pursuant to P.L.2018, c.84 , as
28 amended by P.L. _____, c. (pending before the Legislature as Senate
29 Bill No. _____ and Assembly Bill No. _____), prior to June 30, 2019; and

30 (3) the loan shall be subject to any other terms and conditions as
31 may be established by the commissioner and approved by the State
32 Treasurer, which may include, notwithstanding any other provision
33 of law to the contrary, subordination of a loan authorized in **[this**
34 **act]** P.L.2018, c.85, as amended by P.L. _____, c. (pending before the
35 Legislature as this bill), to loans made by the trust pursuant to
36 P.L.2018, c.84 , as amended by P.L. _____, c. (pending before the
37 Legislature as Senate Bill No. _____ and Assembly Bill No. _____), prior to
38 June 30, 2019, or to administrative fees payable to the trust
39 pursuant to subsection o. of section 5 of P.L.1985, c.334 (C.58:11B-
40 5).

41 (cf: P.L.2018, c.85, s.5)

42
43 6. Section 6 of P.L.2018, c.85 is amended to read as follows:

44 6. The eligibility lists and authorization for the making of loans
45 pursuant to sections 2 and 3 of **[this act]** P.L.2018, c.85, as
46 amended by P.L. _____, c. (pending before the Legislature as this bill),
47 shall expire on July 1, 2019, and any project sponsor which has not
48 executed and delivered a loan agreement with the department for a

1 loan authorized in **【this act】** P.L.2018, c.85, as amended by P.L. ,
2 c. (pending before the Legislature as this bill), shall no longer be
3 entitled to that loan.

4 (cf: P.L.2018, c.85, s.6)

5
6 7. Section 7 of P.L.2018, c.85 is amended to read as follows:

7 7. The Commissioner of Environmental Protection is
8 authorized to reduce or increase the individual amount of loan funds
9 made available to or on behalf of project sponsors pursuant to
10 sections 2 and 3 of **【this act】** P.L.2018, c.85, as amended by P.L. ,
11 c. (pending before the Legislature as this bill), based upon final or
12 low bid building costs defined in and determined in accordance with
13 rules and regulations adopted by the commissioner pursuant to
14 section 4 of P.L.1985, c.329, section 2 of P.L.1999, c.362
15 (C.58:12A-12.2), or section 5 of P.L.1981, c.261, provided that the
16 total loan amount does not exceed the estimated total allowable loan
17 amount. The commissioner is authorized to reduce or increase the
18 individual amount of loan funds made available to or on behalf of
19 project sponsors pursuant to sections 2 and 3 of **【this act】** P.L.2018,
20 c.85, as amended by P.L. , c. (pending before the Legislature as
21 this bill), in an amount not to exceed 10 percent of the total
22 allowable loan amount based upon additional project costs to
23 comply with the Department of Environmental Protection's
24 guidance for asset management, emergency response, flood
25 protection, and auxiliary power.

26 (cf: P.L.2018, c.85, s.7)

27
28 8. Section 8 of P.L.2018, c.85 is amended to read as follows:

29 8. The expenditure of the funds appropriated by **【this act】**
30 P.L.2018, c.85, as amended by P.L. , c. (pending before the
31 Legislature as this bill), is subject to the provisions and conditions
32 of P.L.1977, c.224, P.L.1085, c.302, P.L.1985, c.329, P.L.1989,
33 c.181, P.L.1992, c.88, P.L.1997, c.223, P.L.1997, c.225 or
34 P.L.2003, c.162, and the rules and regulations adopted by the
35 Commissioner of Environmental Protection pursuant thereto, and
36 the provisions of the Federal Disaster Relief Appropriations Act,
37 the Federal Clean Water Act or the Federal Safe Drinking Water
38 Act, and any amendatory and supplementary acts thereto, as
39 appropriate.

40 (cf: P.L.2018, c.85, s.8)

41
42 9. Section 10 of P.L.2018, c85 is amended to read as follows:

43 10. a. Prior to repayment to the Clean Water State Revolving
44 Fund pursuant to sections 1 and 2 of P.L.2009, c.77 and any
45 amendatory and supplementary acts thereto, prior to repayment to
46 the "Wastewater Treatment Fund" pursuant to the provisions of
47 section 16 of P.L.1985, c.329, prior to repayment to the "1992
48 Wastewater Treatment Fund" pursuant to the provisions of section

1 28 of P.L.1992, c.88, prior to repayment to the Drinking Water
2 State Revolving Fund, prior to repayment to the "Stormwater
3 Management and Combined Sewer Overflow Abatement Fund"
4 pursuant to the provisions of section 15 of P.L.1989, c.181, prior to
5 repayment to the "2003 Water Resources and Wastewater
6 Treatment Fund" pursuant to the provisions of section 20 of
7 P.L.2003, c.162, or prior to repayment to the "Water Supply Fund"
8 pursuant to the provisions of section 15 of P.L.1981, c.261,
9 repayments of loans made pursuant to these acts may be utilized by
10 the New Jersey Infrastructure Bank established pursuant to
11 P.L.1985, c.334 (C.58:11B-1 et seq.), as amended and
12 supplemented by P.L.1997, c.224, under terms and conditions
13 established by the commissioner and trust, and approved by the
14 State Treasurer, and consistent with the provisions of P.L.1985,
15 c.334 (C.58:11B-1 et seq.) and federal tax, environmental or
16 securities law, to the extent necessary to secure repayment of trust
17 bonds issued to finance loans approved pursuant to P.L.2018, c.84 ,
18 as amended by P.L. , c. (pending before the Legislature as
19 Senate Bill No. and Assembly Bill No.), and to secure the
20 administrative fees payable to the trust pursuant to subsection o. of
21 section 5 of P.L.1985, c.334 (C.58:11B-5) by the project sponsors
22 receiving trust loans.

23 b. Prior to repayment to the Clean Water State Revolving Fund
24 pursuant to section 1 and 2 of P.L.2009, c.77 and any amendatory
25 and supplementary acts thereto, prior to repayment to the
26 "Wastewater Treatment Fund" pursuant to the provisions of section
27 16 of P.L.1985, c.329, prior to repayment to the "1992 Wastewater
28 Treatment Fund" pursuant to the provisions of section 28 of
29 P.L.1992, c.88, prior to repayment to the "Water Supply Fund"
30 pursuant to the provisions of section 15 of P.L.1981, c.261, prior to
31 repayment to the Drinking Water State Revolving Fund, prior to
32 repayment to the "2003 Water Resources and Wastewater
33 Treatment Fund" pursuant to the provisions of section 20 of
34 P.L.2003, c.162, or prior to repayment to the "Stormwater
35 Management and Combined Sewer Overflow Abatement Fund"
36 pursuant to the provisions of section 15 of P.L.1989, c.181, the trust
37 is further authorized to utilize repayments of loans made pursuant to
38 P.L.1989, c.189, P.L.1990, c.99, P.L.1991, c.325, P.L.1992, c.38,
39 P.L.1993, c.193, P.L.1994, c.106, P.L.1995, c.219, P.L.1996, c.85,
40 P.L.1997, c.221, P.L.1998, c.84, P.L.1999, c.174, P.L.2000, c.92,
41 P.L.2001, c.222, P.L.2002, c.70, P.L.2003, c.158, P.L.2004, c.109,
42 P.L.2005, c.196, P.L.2006, c.68, P.L.2007, c.139, P.L.2008, c.68,
43 P.L.2009, c.102, P.L.2010, c.63, P.L.2011, c.93, P.L.2012, c.43,
44 P.L.2013, c.95, P.L.2014, c.25, P.L.2015, c.108, P.L.2016, c.32, as
45 amended by P.L.2017, c.14, P.L.2017, c.143, as amended by
46 P.L.2017, c.326, or P.L.2018, [c.84] c.85, as amended by P.L. ,
47 c. (pending before the Legislature as this bill), to secure repayment
48 of trust bonds issued to finance loans approved pursuant to

1 P.L.1995, c.218, P.L.1996, c.87, P.L.1997, c.222, P.L.1998, c.85,
2 P.L.1999, c.173, P.L.2000, c.93, P.L.2001, c.224, P.L.2002, c.71,
3 P.L.2003, c.159, P.L.2004, c.110, P.L.2005, c.197, P.L.2006, c.67,
4 P.L.2007, c.140, P.L.2008, c.67, P.L.2009, c.101, P.L.2010, c.62,
5 P.L.2011, c.95, P.L.2012, c.38, P.L.2013, c.94, P.L.2014, c.26,
6 P.L.2015, c.107, P.L.2016, c.31, as amended by P.L.2017, c.13,
7 P.L.2017, c.142, as amended by P.L.2017, c.327 or P.L.2018, c.84 ,
8 as amended by P.L. , c. (pending before the Legislature as
9 Senate Bill No. and Assembly Bill No.), and to secure the
10 administrative fees payable to the trust under these loans pursuant
11 to subsection o. of section 5 of P.L.1985, c.334 (C.58:11B-5).

12 c. To the extent that any loan repayment sums are used to
13 satisfy any trust bond repayment or administrative fee payment
14 deficiencies, the trust shall repay such sums to the department for
15 deposit into the Clean Water State Revolving Fund, the
16 "Wastewater Treatment Fund," the "1992 Wastewater Treatment
17 Fund," the "Water Supply Fund," the Drinking Water State
18 Revolving Fund, the "2003 Water Resources and Wastewater
19 Treatment Fund," or the "Stormwater Management and Combined
20 Sewer Overflow Abatement Fund," as appropriate, from amounts
21 received by or on behalf of the trust from project sponsors causing
22 any such deficiency.

23 (cf: P.L.2018, c.85, s.10)

24

25 10. This act shall take effect immediately.

26

27

28

STATEMENT

29

30 This bill would amend the list of environmental infrastructure
31 projects approved by the Legislature for long-term funding for
32 Fiscal Year 2019 to include new projects and remove certain
33 projects.

34 Under current law, on or before May 15 each year, the New
35 Jersey Infrastructure Bank ("NJIB") must submit a list of
36 environmental infrastructure projects, known as the project
37 eligibility list, to be approved by the Legislature for long-term
38 funding. The list is introduced in each House in the form of
39 legislative appropriations bills. In August 2018, P.L.2018, c.85 was
40 enacted into law, which appropriated funds to the Department of
41 Environmental Protection (DEP) for the purpose of financing
42 approximately \$810.6 million in Storm Sandy and other
43 environmental infrastructure projects through the NJIB in Fiscal
44 Year 2019.

45 In August 2016, P.L.2016, c.30 was enacted into law, which,
46 among other things, provided the NJIB with the authority to submit
47 an additional project eligibility list, by October 15 of each year, for
48 approval by the Legislature. Pursuant to that authority, the NJIB

1 submitted an additional project eligibility list and revisions to the
2 list approved in P.L.2018, c.85. This bill would amend P.L.2018,
3 c.85 to include those new projects and remove certain projects.
4 Under this bill and P.L.2018, c.85, approximately \$822.9 million
5 would be made available for Storm Sandy and other environmental
6 infrastructure projects in Fiscal Year 2019.

7 Certain projects have been removed from the list of projects
8 approved for funding either because they have already received
9 long-term funding or because the projects will not be ready to
10 receive funding before the end of Fiscal Year 2019 under NJIB
11 program requirements.

12 Funding sources for NJIB project loans include federal
13 capitalization grants, State bond issue proceeds, State match,
14 various prior legislative appropriations, loan repayments, interest
15 earnings, and market rate loans made by the NJIB.

16 The bill also corrects an error in the project list contained in
17 subsection b. of section 3 of P.L.2018, c.85. A printing error had
18 caused several of the loan amounts and project numbers for
19 infrastructure projects around the State to be incorrect in the
20 existing law. This bill would correct the project numbers and
21 restore the loan amounts to those originally intended.